

Today I was joined by Congressmen Paul Ryan (WI), Ranking Member of the House Budget Committee and Jeb Hensarling (TX), Chairman of the Republican Study Committee, and Rep. Michele Bachmann (MN) in introducing the AMT Repeal and Taxpayer Choice Act. This legislation is designed to repeal the Alterna... Today I was joined by Congressmen Paul Ryan (WI), Ranking Member of the House Budget Committee and Jeb Hensarling (TX), Chairman of the Republican Study Committee, and Rep. Michele Bachmann (MN) in introducing the AMT Repeal and Taxpayer Choice Act. This legislation is designed to repeal the Alternative Minimum Tax, and at the same time, give all taxpayers the choice of filing their taxes under a new, simplified tax system.

In crafting this legislation we made sure that it would accomplish these three goals. That it will: 1.) Repeal the AMT and make sure it stays gone. 2.) Not raise taxes 3.) Not engage in class warfare, asking others to take a financial hit to “Pay for” tax relief for others. I think we have succeeded in accomplishing these goals. Below are some important points about the Taxpayer Choice Act.

□ The Taxpayer Choice Act will fully and permanently repeal the current AMT

□ Taxpayers can choose to file their taxes under the current system or pay □ a new alternative simplified tax with two rates and no deductions

□ There is a 10% rate for joint incomes below \$100,000 and a 25% marginal rate for joint incomes above \$100,000

This bill will make permanent the 2001 and 2003 tax reductions and lower rates on capital gains and dividends.

This is an incredibly important piece of legislation considering the number of taxpayers that could be forced to pay the AMT in 2007. Also, at the same time, it keeps our tax revenue at its historical percentage of GDP. Without this legislation, government spending will increase in terms of our overall economy and individuals will be required to pay more taxes to keep up with this spending.

Chairman of the House Ways and Means Committee, Charles Rangel (D-NY), has announced his intention to present “the mother of all tax bills” in the coming weeks. This Democrat proposal will effectively keep all tax increases and merely redistribute who has to pay them.

The proposal I am advocating rejects the idea that we need to continually raise taxes on people over 10 years, not only on an absolute basis but also by percentage.

I encourage you to visit the RSC website to see more details about our AMT Proposal, [Click here](#)